



Department of Justice

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CINCINNATI MAN PLEADS GUILTY TO SELLING MORE THAN \$1 MILLION IN COUNTERFEIT FINANCIAL AND TAX PREPARATION SOFTWARE

CINCINNATI – Brandon C. Davis, 31, of Cincinnati pleaded guilty today to selling more than \$1 million worth of counterfeit financial and tax preparation software through an internet auction site.

Carter Stewart, U.S. Attorney for the Southern District of Ohio, Tracey E. Warren, Acting Special Agent in Charge, Internal Revenue Service Criminal Investigation (IRS), Dugan T. Wong, Assistant Inspector in Charge, U.S. Postal Inspection Service, and J. Mark Batts, Acting Special Agent in Charge, Federal Bureau of Investigation (FBI) announced the plea entered today before Senior U.S. District Judge Herman J. Weber.

Davis pleaded guilty to four charges: mail fraud, copyright infringement, and two counts of filing a false income tax return.

According to a court documents, Davis purchased software by download or on a CD, with accompanying label and packaging that was protected by copyright, namely Quicken and Turbo Tax software manufactured by Intuit, Inc. Davis copied each CD of original software multiple times without permission and created counterfeit packaging and labeling for the CDs.

Davis sold the counterfeit Intuit software on eBay, received payment, and then mailed the counterfeit software to the purchaser via the United States Postal Service. Within the packaging, Davis sometimes included a false disclaimer claiming that he was merely acting as a broker for another seller. Davis also falsely represented on the online eBay auctions that he was selling original Intuit software, but instead the defendant sold counterfeit Intuit software, usually at prices below manufacturer's suggested retail price.

Davis failed to report the income from the counterfeit software sales when he filed his income tax returns for 2008 and 2009.

At sentencing, Davis faces maximum penalties of 20 years in prison for the mail fraud, five years in prison for the copyright infringement and up to three years imprisonment for each of the tax crimes. Davis agreed to a money judgment and tax lien of \$80,074.08 and to pay restitution in an amount to be determined by the court. He also agreed to forfeit all computer items used to manufacture and distribute the fake software, a 2006 Hummer and \$192,117.31 that U.S. Postal Inspectors seized from his bank accounts. Judge Weber scheduled a sentencing hearing for Davis for September 22.

The case is being prosecuted by Assistant U.S. Attorney Timothy S. Mangan of the U.S. Attorney's Office for the Southern District of Ohio and Trial Attorney Tara M. Swaminatha of the Criminal Division's Computer Crime and Intellectual Property Section.

The enforcement action announced today is an example of the type of efforts being undertaken by the Department of Justice Task Force on Intellectual Property (IP Task Force). Attorney General Eric Holder created the IP Task Force to combat the growing number of domestic and international intellectual property crimes, protect the health and safety of American consumers, and safeguard the nation's economic security against those who seek to profit illegally from American creativity, innovation and hard work. The IP Task Force seeks to strengthen intellectual property rights protection through heightened criminal and civil enforcement, greater coordination among federal, state and local law enforcement partners, and increased focus on international enforcement efforts, including reinforcing relationships with key foreign partners and U.S. industry leaders. To learn more about the IP Task Force, go to www.justice.gov/dag/iptaskforce.

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